

FAIR Association of Victims for Accident Insurance Reform

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'FAIR – supporting auto accident survivors through advocacy and education'

Open letter to Ontario MPPs and Media – sent by email

February 23, 2023

Hello

My name is Rhona DesRoches. I am the Chair of FAIR Association of Victims for Accident Insurance Reform, a grass-roots, not-for-profit organization of car accident survivors and their supporters and I'm writing to you today on behalf of Ontario's injured auto insurance claimants about the obstacles they face to access recovery resources.

You need to know there's a cost to Ontario's out-dated auto insurance legislation and auto accident claimants are paying for it with their health and consumers are paying for it too because when insurers don't pay, taxpayers do.

Last week a disturbing story came out on CTV news that you are likely already aware of. This insurer underpayment for care-givers issue has been a problem for MVA survivors and for those who assist injured claimants for some time now. What you read in <https://toronto.ctvnews.ca/ontario-insurer-demands-man-maimed-in-hit-and-run-pay-care-worker-less-than-minimum-wage-1.6273920> isn't the only outdated legislation that undermines recovery.

People don't just go away when insurers don't live up to their promise of coverage, but they do go on social supports, and for many it means they never get the help they need to recover. Though "FSRA encouraged anyone facing this situation to submit a complaint " it is hardly fair to put that burden onto claimants when it is an update to legislation that is needed to ensure we aren't just paying what amounts to a road usage fee to private insurers. It's increasingly clear injured drivers can't count on assistance when they need it anymore and this means an increased financial burden to taxpayers in what has become a common theme of delay, deny and download. In this case currently playing out in the media, Economical's explanation that some coverage is "intended to only partially cover certain costs" and that insurance coverage is a 'contribution system' is not evident in legislation as this insurer suggests, but it appears that this is a successful strategy to boost their bottom line profits. Definity/Economical increased their profits by 18% in 2022 and that profit was made possible by legislation that doesn't

protect consumers and allows this unfair behavior to continue to harm Ontario patients in recovery.

FAIR submitted to the 2023 Pre-Budget Consultation and I'm sending a link to ***Ontario Auto Insurance – Recommendations for Protecting Consumers and Taxpayers from Delay, Deny and Download*** as both introduction and as the background for some of the issues we'd like see addressed to ensure Ontarians get what they need and what they've paid for.

See: <http://www.fairassociation.ca/wp-content/uploads/2023/02/FAIR-submission-to-Pre-Budget-Consultation-2023.pdf>

My thanks for your attention to this and we would be pleased to meet with you to discuss how to course-correct this unfair and harmful downloading of costs to taxpayers.

Rhona DesRoches
FAIR, Chair

'It's at a crisis point': Dubious insurer practice of paying less than Ontario minimum wage appears to be spreading

“The insurer would be incorrectly interpreting the statutory accidents benefits schedule,” said FSRA spokesperson Russ Courtney in a statement to CTV News.

https://beta-ctvnews-ca.cdn.ampproject.org/c/s/beta.ctvnews.ca/local/toronto/2023/2/15/1_6275861.amp.html

See: <https://toronto.ctvnews.ca/video?clipId=2629775>

Definity's net income up 18 per cent in 2022

Definity, which became a public company in November 2021, includes insurers Economical, Sonnet, Petline and Family Insurance Solutions.

<https://insurance-portal.ca/damage/definitys-net-income-up-18-per-cent-in-2022/>